



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

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Testimony Supporting House Bill Nos. 6656 and 6667

AN ACT SPECIAL EDUCATION AND AN ACT CONCERNING VOLUNTARY REGIONALIZATION OF CERTAIN SCHOOL DISTRICT SERVICES

Senator Gaffey, Representative Fleischmann, and distinguished members of the Education Committee thank you for the opportunity to offer testimony on House Bill No. 6656, An Act Concerning Special Education and House Bill No. 6667, An Act Concerning Voluntary Regionalization of Certain School District Services.

House Bill No. 6656 An Act Concerning Special Education

This bill would phase in increases in the state's reimbursement for special education services under section 10-76g(b) of the Connecticut General Statutes. In these dire economic times, it is imprudent to increase funding to this program. The state currently provides reimbursement for special education costs that are in excess of 4.5 times the average per pupil educational costs. This bill would create a three-tiered reimbursement approach, reimbursing towns a percentage of the per pupil cost within three thresholds to be phased in over several years:

<u>Fiscal Years</u>	<u>Tier 1</u> <u>4.5x</u>	<u>Tier 2</u> <u>3x - 4.5x</u>	<u>Tier 3</u> <u>1.5x - 3x</u>
FY09 (current law)	100%	0%	0%
FY10 - FY12	90%	60%	30%
FY13 - FY14	90%	65%	40%
FY15 - FY16	90%	70%	50%
FY17 - FY18	90%	75%	60%
FY19 +	90%	80%	70%

While an estimate on how much this would cost the state is not readily available at this time, there is a real potential that this would cost the state tens of millions of dollars. The state grant was designed to help towns pay for those services for special education students that atypically expensive, it was not designed to pay for essentially most of the cost to educate students with special needs.

House Bill No. 6667 An Act Concerning Voluntary Regionalization of Certain
School District Services

This bill would provide towns that are part of or that will create a cooperative arrangement with other towns for certain education services a bonus in their ECS payment of \$7 per student. It would also add special education services and transportation services to the list of programs that can included in cooperative arrangements between towns and in regional educational service centers. A town typically participates in these arrangements in order to garner some economies of scale; therefore the cost of these services would be less to the town, which should be incentive enough to participate in these cooperative arrangements. It is unclear why the state would need to provide an additional bonus to the towns in their ECS payment to encourage towns to participate in an arrangement that would save them money. The cost of providing towns with the \$7 ECS bonus would depend on the extent to which towns participate in cooperative arrangements. It could cost the state as much as \$3.8 million in additional ECS payments if all towns were to eventually participate in a cooperative arrangement.

I respectfully urge the Committee to reject these bills. I would like to again thank the committee for the opportunity to present this written testimony and my staff and I are available to answer any questions you may have.